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THE Poultry and Egg SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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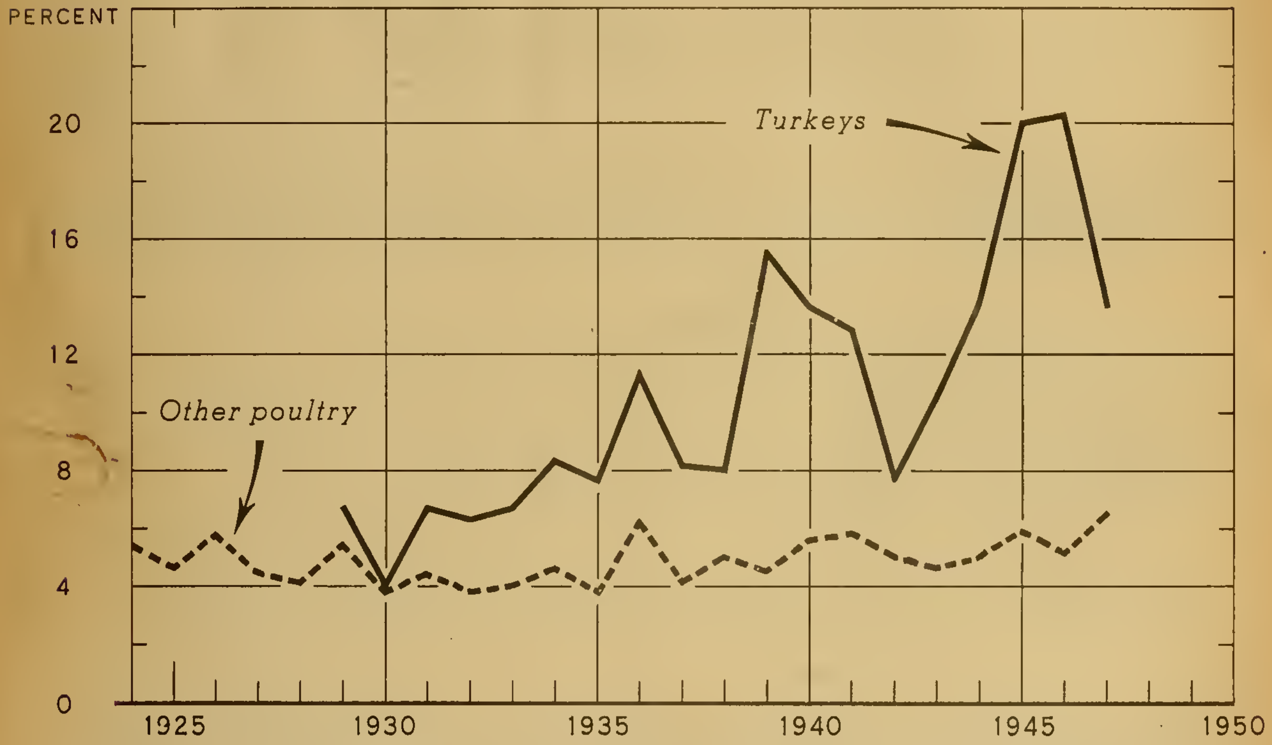
COLD STORAGE HOLDINGS OF TURKEYS AND OTHER POULTRY AT SEASONAL HIGH POINTS AS A PERCENTAGE OF ANNUAL PRODUCTION, UNITED STATES, 1924-47*



*PEAK HOLDINGS OF TURKEYS IN THE 1943-44 THROUGH 1945-46 STORAGE SEASONS, AND OTHER POULTRY IN THE 1943-44 THROUGH 1947-48 SEASONS, INCLUDE SUBSTANTIAL GOVERNMENT-OWNED STOCKS

U. S. DEPARTMENT OF AGRICULTURE NEG. 46972 BUREAU OF AGRICULTURAL ECONOMICS

Since 1929, the total volume of turkeys held in cold storage at the seasonal peak has become larger in relation to total production. Holdings of other poultry, however, in relation to production have remained relatively constant. During the war years, increased levels of current civilian consumption in the main marketing seasons and government procurement tended to limit commercial storage holdings. The percentage of the production stored in a given year depends upon such factors as the financial outcome from storage operations the previous season and the level of prices in the into-storage season, as well as the volume of production.

The Poultry and Egg Situation at a Glance

Item	Unit	Month	Average 1937-46	1947	1948	Comments
			Eggs			
Farm production	Mil. doz.	Oct.	220.0	286.6	294.5	3 percent above last year.
Average number of layers on farms	Million	do.	320.4	349.3	343.1	2 percent under last year.
Rate of lay per hen	Number	do.	8.2	9.8	10.3	Highest on record for October.
Apparent civilian per capita disappearance	do.	do.	26.1	30.4	31.4	Reflects strong consumer demand.
Frozen egg production	Mil. lb.	do.	---	4.7	1.7	
Dried egg production	do.	do.	—	0.2	2.2	
Prices received by farmers	Ct.per doz.	Nov.	36.9	53.4	58.3	Up 4.9 cents from October.
Prices received by farmers as a percentage of parity	Percent	do.	84	86	92	
Retail price (BAE)	Ct.per doz.	Sept.	42.7	74.2	70.7	Farm-retail price spread narrower.
Egg-feed ratio	Lb. feed	Nov.	16.6	11.3	16.2	Most favorable for month since 1943.
Stocks: 1/						
Shell	1,000 cases	Oct.	3,519	1,818	1,680	
Frozen	do.	do.	4,402	5,056	4,557	
Dried	Mil. lb.	do.	—	33.9	27.5	Mostly Government-owned.
Chicks hatched	Million	do.	28.2	38.9	45.7	Continued strong demand for broiler chicks.
Potential layers on farms 1/	do.	do.	482.0	488.2	471.2	3 percent under last year.
Hens and pullets of laying age	do.	do.	335.9	364.1	361.3	More old hens being retained.
Pullets not of laying age	do.	do.	146.1	124.1	109.9	11 percent under last year.
Farm price of poultry ration	Dollars	do.	2.31	4.71	3.68	About 22 percent under last year.
			Poultry			
Prices received by farmers for chickens	Ct. per lb.	Nov.	19.1	24.9	29.3	Record for November.
Prices received by farmers as a percentage of parity	Percent	do.	108	91	104	
Retail price of chickens (BAE)	Ct. per lb.	Sept.	36.3	52.5	57.5	A record for the month.
Prices received by farmers for turkeys	do.	Nov.	25.0	35.8	46.1	A new record high.
Stocks: 1/						
Poultry, excluding turkeys	Mil. lb.	Oct.	128.8	213.1	119.4	Lowest since 1941.
Turkeys	do.	do.	23.3	64.8	33.8	Lowest since 1943.
Chicken-feed ratio	Lb. feed	Nov.	8.4	5.3	8.2	Most favorable for month since 1944.
Turkey-feed ratio	do.	do.	10.9	7.6	12.8	Most favorable for month since 1931.
Receipts of poultry at Central Western Primary Markets, per plant	1,000 lb.	Oct.	35.9	34.2	30.3	Down about 11 percent.

1/ End of month.

THE POULTRY AND EGG SITUATION

Approved by the Outlook and Situation Board, December 6, 1948

SUMMARY

The demand for eggs is continuing very strong. This strength in egg markets is in contrast to substantial seasonal weaknesses in prices of hogs and some dairy products. Even though egg production is larger than a year earlier, net withdrawals of shell eggs from storage from August 1 to November 1 also were larger, by 1.3 million cases or 52 percent. Farm egg prices which had been lower than a year earlier in September and October were 4.9 cents higher than a year earlier in mid-November.

Higher prices for eggs and lower feed costs have encouraged unusually light culling of laying flocks this fall. As a result, the total number of potential layers on farms January 1 will be nearly the same as on January 1, 1948, even though 15 percent fewer farm chickens were raised during the year. The lighter culling will leave a larger percentage of old hens in the laying flock.

Another reflection of the strong demand is the relatively low level of poultry products in storage. Stocks of dried eggs, chickens, and turkeys, as well as shell and frozen eggs were smaller than a year earlier on November 1, 1948.

Receipts of live fowl at Midwestern plants this year through November 27 were 9 percent smaller than in the same period last year, while receipts of young chickens were off 17 percent. Dressed poultry receipts at 4 major markets in the same period were 14 percent under 1947. Producers culled heavily early in 1948, but in recent weeks have been holding over more old hens than usual, thus cutting down fowl marketings. With respect to young chickens, the decrease in farm chickens raised this year has been only partially offset by increased commercial broiler production. Total supplies of chicken have been smaller than in 1947. With the exception of October, farm prices for chickens have been the highest on record in each month of 1948.

Turkey prices rose in early November after moderate declines in late summer and early fall. The November 15 farm price per pound live weight was 10.4 cents higher than last year. With smaller supplies than a year ago and continued strong demand, prices to consumers during the Christmas season are likely to be at least as high as those at Thanksgiving.

Three major factors determine the size of the into-storage movement of turkeys in any particular year. These are the financial outcome from the previous season, the price at the time turkeys are placed in storage, and the quantity in storage when in-movement of the new crop begins. The apparent storage margin between in and out prices during the 1947-48 season was a record high. Early fall storage holdings were low. However, storage volume this year may not differ substantially from last season because of high prices prevailing for birds consumed currently.

Production goals for 1949 announced by the Secretary of Agriculture on November 30, 1948 suggested that producers raise 700 million young chickens, about 10 percent more than numbers raised in 1948. A 10-percent increase was also suggested for turkeys by the goal of 35.1 million.

Higher September and October Egg Production Than Last Year Offset by Support Purchases, But Farm Prices Lower

Despite the fact that numbers of layers on farms have been smaller than last year, farm egg production has been larger than a year earlier since mid-summer. The record rate of lay has resulted from a higher proportion of layers in areas of high production, further improvement in quality of birds, and early pullets coming into production. Total production during the first 10 months was only 1 percent under last year.

Even with record consumer incomes in 1948 and production down only 1 percent, the Department of Agriculture has found it necessary to purchase the equivalent of about 82 million dozen eggs through December 4 to support shell egg prices this year. This quantity is considerably below the 225 million dozen acquired last year by the Department. In 1947 support activity had been concluded by August. This year, purchases were continuing in December. Price support in late 1948 is due to the limited purchases earlier in the year and to larger shell and frozen egg storage stocks.

Farm prices of eggs in the first 10 months of 1948 averaged 46.5 cents per dozen compared to 44.4 cents last year. Purchases in August 1948 were larger than the net increase in farm production over August 1947, and the price was higher than last year. September and October prices were slightly lower than a year ago despite the fact that net increases in production were about accounted for by support purchases. In mid-November, however, the farm price for eggs, at 58.3 cents per dozen, was 4.9 cents higher than a year earlier, reflecting continued strong demand for both currently produced and storage eggs. The out-of-storage movement of shell eggs from August 1 to November 1 was greater than in 1947 by 1.3 million cases, or 52 percent.

Production of Egg Products Down in 1948

Domestic production of egg products thus far in 1948 has been lower than in 1947. Liquid egg production during the first 10 months totaled about 500 million pounds, about 20 percent below the corresponding period last year and slightly more than one-third the January-October peak production in 1944. Frozen egg production in the January-October period this year was about 343 million pounds, about 21 million pounds under last year and about 160 million pounds under the record 1944 level for the first 10 months. Dried egg production through October was about 42 million pounds, the lowest since 1941. However, for August, September, and October of this year, both liquid egg production and dried egg production were larger than in 1947.

Table 1.- Production of dried, frozen, and liquid egg, and production of canned poultry, United States, specified years

Year	January	February	March	April	May	June	July	August	September	October	November	December	Total
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
							Dried egg						
1941	73	680	2,539	3,518	2,857	2,853	3,299	2,855	3,654	7,227	7,456	8,269	45,280
1942	10,775	14,566	19,691	22,524	22,191	22,283	23,899	22,540	21,689	22,839	19,508	13,144	235,649
1943	12,000	20,878	23,885	29,560	28,472	23,889	20,618	16,169	20,053	23,208	22,179	21,061	261,972
1944	21,565	26,037	31,982	32,056	34,579	32,712	31,271	34,148	25,000	23,947	16,835	10,610	320,743
1945	15,646	13,655	19,183	15,846	12,906	9,177	8,031	7,858	2,674	544	159	183	105,863
1946	277	8,362	19,732	22,576	18,764	16,553	13,863	11,151	4,735	2,901	2,585	3,947	125,446
1947	11,841	13,168	11,248	9,788	14,014	14,163	9,113	1,324	184	226	330	162	85,561
1948 1/	552	1,029	1,781	3,213	5,541	9,081	9,047	5,926	3,692	2,221			
							Frozen egg						
1940	707	733	29,481	44,029	53,662	41,283	12,749	5,115	1,249	249	216	105	189,578
1941	915	8,140	39,386	46,826	53,303	46,560	26,555	9,848	2,845	1,951	588	265	237,182
1942	3,075	13,626	42,686	59,001	57,090	52,750	17,755	5,636	3,050	1,141	1,120	701	257,631
1943	3,140	18,168	59,760	79,000	95,600	83,172	50,735	15,728	4,680	730	758	1,144	412,615
1944	11,796	38,480	74,793	89,000	105,676	78,931	52,764	24,450	17,500	9,360	6,291	2,750	511,791
1945	6,941	34,183	70,677	88,229	89,458	51,840	26,248	14,291	8,187	5,417	1,313	795	397,579
1946	9,747	46,383	78,915	89,563	83,912	47,714	17,956	7,570	2,673	1,855	2,336	3,594	392,218
1947	9,338	34,323	57,290	82,398	78,942	50,100	22,697	15,367	9,163	4,712	3,500	3,266	371,096
1948 1/	10,739	25,850	63,019	81,409	82,652	48,898	17,681	7,545	3,894	1,734			
							Liquid egg						
1938	893	5,506	27,230	39,134	35,563	25,595	8,779	3,571	893	595	595	446	148,800
1939	2,202	9,470	35,898	48,231	53,737	41,404	15,857	6,606	3,303	1,542	1,102	881	220,233
1940	1,447	1,793	35,149	52,116	62,204	47,758	16,888	7,566	2,522	688	689	459	229,274
1941	1,933	10,891	52,644	63,058	66,189	57,913	40,469	22,572	17,787	29,449	28,267	30,747	421,919
1942	42,057	68,221	117,152	141,080	139,425	134,515	100,063	81,792	54,246	55,075	45,925	30,555	1,010,106
1943	42,570	94,497	149,322	186,627	199,355	170,612	127,568	69,086	50,188	53,686	47,066	30,435	1,221,012
1944	71,264	136,468	194,738	209,562	236,015	201,148	159,798	131,682	81,111	70,574	45,396	16,282	1,554,037
1945	27,422	69,315	135,233	142,248	133,386	81,122	42,817	24,161	13,677	8,645	2,304	1,240	681,571
1946	12,816	72,680	136,749	156,363	139,896	103,077	63,329	45,594	17,991	12,119	10,976	16,604	788,194
1947	5,195	80,673	98,903	117,409	129,216	101,663	55,451	21,676	10,350	6,592	4,740	3,846	1/635,804
1948 1/	14,850	30,971	70,349	94,225	103,652	77,941	48,834	31,772	17,752	9,633			
							Canned poultry						
1943	10,413	9,425	10,951	7,720	6,553	3,321	2,693	3,320	5,296	7,002	11,400	11,669	89,763
1944	13,191	13,686	13,261	10,564	10,056	11,294	7,839	6,701	6,476	10.432	15,449	12,852	131,801
1945	15,343	16,390	18,746	18,392	20,011	14,401	7,764	8,034	4,759	5,815	8,972	7,960	146,587
1946	13,369	11,581	11,402	10,118	11,573	10,687	8,464	10,978	7,583	10,855	9,682	8,905	125,197
1947	9,329	7,041	6,452	7,409	5,876	7,021	5,441	5,788	5,763	9,386	8,723	9,323	87,522
1948 1/	10,984	11,285	12,765	12,477	12,609	13,288	12,490	11,502	10,627	14,443			

1/ Preliminary.

More Poultry Canned Than Last Year

Canned poultry production thus far in 1948 has been about 76 percent above last year, and the largest in total since 1945. Production in the July-October period was the highest on record. This increase has occurred despite continued high farm and retail prices for chickens and a 15-percent reduction in the number of farm chickens raised. Greater use may have been made of commercial broilers, however, as the numbers raised in 1948 are expected to be nearly equal to the 345 million in 1945. The upward trend in canned poultry production may be partially attributed to an increased demand by family and institutional users for boned chicken and other canned products using chicken.

Larger Percentage of Old Hens and Fewer Late Pullets Indicated for January 1

On the basis of October 1 estimates, it is probable that a larger percentage of potential layers on farms January 1, 1949 will be hens one year old or older than was true on the previous January 1. Hens accounted for 39.1 percent of October 1 potential layers as compared to 37.7 percent a year earlier. If this relationship continues to January 1, 1949, it will represent a temporary reversal of a long-time trend toward more pullets in January 1 flocks.

Table 2. - Potential layers on farms October 1, proportions of hens and pullets, United States, 1931-48

Year	Total potential layers	Hens 1 year old or older as a percentage of potential layers	Total pullets as a percentage of total potential layers	Pullets of laying age as a percentage of total pullets
	Million	Percent	Percent	Percent
1931	435.2	44.8	55.2	35.1
1932	443.6	42.7	57.3	34.6
1933	438.3	42.0	58.0	34.1
1934	408.6	44.0	56.0	34.7
1935	412.8	41.4	58.6	36.3
1936	435.1	37.7	62.3	37.2
1937	419.2	40.7	59.3	35.9
1938	433.9	36.5	63.5	36.4
1939	454.4	36.7	63.3	35.2
1940	450.6	35.1	64.9	38.4
1941	493.8	33.6	66.4	37.4
1942	546.1	33.4	66.6	37.7
1943	620.8	44.7	55.3	31.7
1944	575.6	39.8	60.2	38.8
1945	582.4	36.6	63.4	34.6
1946	528.0	38.3	61.7	38.9
1947	532.8	37.7	62.3	40.2
1948 1/	504.8	39.1	60.9	41.5

1/ Preliminary.

Table 3. - Potential layers on farms November 1 and following January 1, United States, 1940-48

Year	November 1	January 1	January 1 as a percentage of November 1
	Million	Million	Percent
1940	423.3	381.3	90.1
1941	470.0	427.9	91.0
1942	524.4	489.0	93.2
1943	590.8	523.6	88.6
1944	531.8	473.9	89.1
1945	543.4	474.2	87.3
1946	488.0	435.7	89.3
1947	488.2	427.9	87.6
1948 1/	471.2		

1/ Preliminary.

Of the 307.6 million pullets on farms October 1, 1948, 41.5 percent were pullets of laying age, an all-time record. On October 1, 1947, pullets of laying age accounted for 40.2 percent of total pullets. This continued upward trend toward earlier hatched pullets is responsible for the larger percentage of annual egg production occurring in the fall months.

As of November 1, 1948, there were 471.2 million potential layers on farms, 3 percent fewer than a year earlier. The decline in numbers between October 1 and November 1 was less percentagewise than last year, but greater than the 1937-46 average rate of decline. With an unusually light rate of culling in recent months compared with 1947, numbers January 1, 1949 are likely to be almost the same as on January 1, 1948.

Smaller Quantities of Shell Eggs and Poultry in Cold Storage November 1 Than Year Earlier

Cold storage holdings of shell eggs on November 1, 1948 totaled 1.7 million cases, .1 million below a year earlier. The net out-movement between August 1 and November 1 this year amounted to 3.8 million cases as compared to 2.5 million during the same period of 1947. Government holdings of shell eggs on November 1 this year were 3,000 cases, 39,000 less than last year.

The equivalent of 4.6 million cases of eggs were held in frozen form on November 1, 1948, with Government stocks accounting for .8 million of the total. Last November 1, frozen egg stocks were equivalent to 5.1 million cases, of which 1.6 million were Government-owned.

Total cold-storage holdings of dried eggs amounted to 27.5 million pounds on November 1948, only 6.1 million pounds being commercially owned. A year earlier all of the total of 33.9 million pounds were Government-owned. A major part of the 1948 support purchases of dried eggs to date, therefore, are still unsold.

Total cold-storage holdings of frozen poultry (excluding turkeys and ducks) on November 1 were 111.6 million pounds, 87.3 million pounds below last November 1. Only 46.3 million pounds moved into storage between August 1 and November 1 compared to 95.4 million in the same period a year earlier. November 1, 1948 stocks were the lowest since 1941.

With 20.5 million pounds of turkey moving into storage from September 1 to November 1, 1948, stocks as of the latter date totaled 33.8 million pounds, 31.0 million below last November 1, and the lowest since 1943.

Chicken Marketings Substantially Lower Than Last Year; Farm Prices at Record Levels

Total receipts of live poultry at Midwest primary markets through November 27, 1948, totaled 172.8 million pounds, about 12 percent under the corresponding period a year earlier. Fowl receipts of 109.9 million pounds were down about 9 percent, while receipts of young stock totaling 58.9 million pounds were about 17 percent smaller than in 1947. While fowl receipts for the 10 months' period through October 1948 were the smallest since 1945, total receipts were the lowest since 1941, and young stock receipts the smallest since 1940.

Receipts during the first half of 1948 were slightly larger than a year ago in total, as well as on both fowl and young stock. With the exception of September, when receipts again were larger than in 1947, receipts of live poultry during each month thus far in the second half of this year have been somewhat lower than last year. This is expected to hold true also for November and December.

The national picutre has been substantially the same as that in the Midwest. Market receipts of poultry were held up by heavier-than-usual culling of laying flocks during the first half of 1948 because of an unfavorable egg-feed price ratio and also by attractive prices for chickens either carried over from 1947 or hatched early in 1948. Later in the year the full effects of the 15-percent decrease in the numbers of farm chickens raised became apparent in lower market receipts. Smaller market receipts of farm chickens in 1948, however, have been partially offset by larger marketings of commercial broilers. An increasingly favorable egg-feed price ratio and a smaller total crop of pullets for flock replacement also encouraged producers to retain a larger percentage of old hens, thus curtailing fowl marketings.

Receipts of all dressed poultry at 4 markets (New York, Chicago, Philadelphia, and Boston) through November 27, 1948, totaled 364.2 million pounds, 14 percent under the 423.8 million pounds in the corresponding period last year. Since early September, receipts of 144.1 million pounds have been indicated compared to 185.1 million pounds last year. First quarter receipts this year were about the same as last year, but second quarter receipts were slightly lower than in 1947. With weekly receipts of dressed poultry at these markets expected to continue somewhat under last year, total receipts in 1948 are likely to be over 10 percent lower than in 1947, and probably the lowest since 1943.

Prices received by farmers for chickens have reflected the smaller marketings, lower storage holdings, and continued high consumer demand for poultry products. With the exception of October, when the farm price of 29.9 cents was below the all-time peak of 34.4 cents per pound in October 1946, farm prices in each month of 1948 have been the highest on record. As of November 15, the farm price for chickens was 29.3 cents, 4.4 cents per pound higher than last year. The December farm price is also likely to be the highest on record for that month.

Turkey Prices Have Strengthened After Early Fall Slump

Prices received by farmers for turkeys declined contraseasonally .6 cents from mid-September to mid-October when the United States farm price was 42.7 cents per pound, 8 cents higher than a year earlier, and the highest on record. By mid-November, however, they reached a new record of 46.1 cents per pound. Late summer and early fall declines in turkey prices at terminal markets, principally confined to toms, caused a considerable amount of uncertainty among some growers and distributors. These declines may have been partly the result of declines in red meat prices. In most years, unless turkey supplies (crop plus storage stocks) are unusually large, prices for fresh-killed turkeys strengthen from mid-year to the pre-holiday period, due to the gradual improvement in the quality of young birds coming to market. Most of the breeders are out of the way by mid-year. Both frozen and quick-frozen eviscerated prices are also steady to stronger from the time the marketing of good quality fresh-killed birds from the old crop is completed in the early months of the year until fall when new-crop, fresh-killed young turkeys become available in volume.

Between July and late October 1948, prices on Western dry-packed young hens dropped 4 to 5 cents per pound at New York, while toms declined about 20 cents in the same period. This might have been more alarming were it not for the fact that prices were at very high levels in July of this year. During the summer and early fall, prices on young toms were much higher in relation to young hens than in any previous year on record.

In early September, the price for quick-frozen eviscerated young toms at New York was 80 to 83 cents per pound compared with 76 to 78 cents for young hens. However, by late October, the price of young toms had dropped to 72 to 73 cents per pound while the price for young hens had remained fairly steady. The price at the same market for dressed 1948-crop Western dry-packed young toms dropped even more. In early September, young toms brought about 68 cents per pound, 3 cents more than young hens. By late October, the price on young toms had gone down to 51 to 53 cents, while prices for young hens ranged between 53 and 62 cents per pound.

Unsettled conditions in the turkey market at the beginning of the movement of the new crop are not uncommon. It is now apparent that there was little basis for earlier pessimism. Just prior to Thanksgiving, frozen eviscerated young toms at New York were up to 73 to 75 cents per pound, and young hens 77 to 85 cents per pound. Dressed birds were also higher. Western dry-packed young toms sold for 68-70 cents while young toms brought 58-61 cents per pound. With the exception of 1946, turkey prices have tended to rise during December in each of the last 8 years.

This fall's turkey market is in a statistical position favorable for farmers. Inasmuch as this year's turkey crop is relatively small, storage stocks were at a relatively low level at the beginning of the into-storage season, supplies of chicken are well below last year, and consumer incomes continue large. By November 23, 1948, chain store prices to consumers at New York averaged 73 cents per pound on young turkeys under 17 pounds, and 64.3 cents on those over 17 pounds. These prices were 14 and 15.3 cents, respectively, higher than a year earlier, but about 3 cents lower than those in early November. Volume movement undoubtedly made it possible for some retailers to lower holiday prices relative to those in the pre-holiday period, so that the margin above last year was not as great by Thanksgiving as earlier in the month. Prices to consumers during the Christmas season are likely to be at least as high as those at Thanksgiving.

Into-Storage Movement of Turkeys Compared with Storage Margins and Current Prices

One of the usual uncertainties in this fall's turkey market is the volume of into-storage movement which may be expected. Many storers have exhibited a cautious attitude toward inventories and may be unwilling to assume sizable storage risks at prevailing price levels. As a guide to predicting the size of this season's net into-storage movement, it is well to bear in mind that the net commercial into-storage movement of turkeys has exceeded 10 percent of the current season's production in only 6 years during the period since 1929. On the average, however, this percentage, as well as the net into-storage volume in pounds, shows an upward trend. As the production of turkeys has increased, turkeys have become cheaper in relation to other poultry than previously. This has made it profitable to store turkeys to meet the increased demand in the out-of-holiday period principally by institutional users. There is a continuing effort to expand the use of turkeys in this period still further.

During the years from 1920 to 1938, the into-storage of turkeys probably was affected to some extent by the into-storage movement of other poultry, principally chickens. This may have been partly due to the fact that the into-storage movement of turkeys in earlier years was only a small part of the total into-storage movement of poultry. Accordingly, the factors determining the storage outlook for other poultry were also probably oftentimes applied by storers to turkeys. Since the early 1930's, the into-storage movement of turkeys has tended to become much larger in relation to other poultry. There has been little relationship in evidence since 1938 between the into-storage movement of turkeys and other poultry. While the percentage of annual turkey production stored has tended to increase, the percentage of annual output of other poultry stored has remained relatively constant. This apparently is largely due to the increasing role of commercial broiler production in distributing chicken marketings more evenly over the year.

Table 4.- Calendar year production peak storage volume, and peak storage volume and net into-storage movement as a percentage of production, turkeys and other poultry, United States, 1924-47 1/

Year	Calendar year production		Peak storage volume for into-storage season beginning calendar year shown		Peak storage volume as a percentage of production		Net into-storage movement as a percentage of production	
	Turkeys	Chickens	Turkeys	Other poultry 2/	Turkeys	Other poultry 2/	Turkeys	Other poultry 2/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Percent	Percent	Percent	Percent
1924		2,226	17.4	120.8		5.4		4.3
1925		2,280	7.2	104.7		4.6		2.9
1926		2,341	12.2	133.7		5.7		4.3
1927		2,474	11.9	108.1		4.4		3.0
1928		2,417	14.5	99.2		4.1		2.8
1929	213	2,442	14.4	130.9	6.8	5.4	5.0	3.9
1930	216	2,626	8.6	100.3	4.0	3.8	2.7	2.4
1931	214	2,426	14.3	106.4	6.7	4.4	5.6	3.2
1932	264	2,465	16.7	92.6	6.3	3.8	5.9	2.9
1933	298	2,572	19.9	103.5	6.7	4.0	6.1	2.9
1934	284	2,392	23.5	110.4	8.3	4.6	7.7	3.4
1935	267	2,297	20.5	87.4	7.7	3.8	6.3	2.9
1936	361	2,392	40.8	148.2	11.3	6.2	10.2	5.0
1937	346	2,273	28.0	92.2	8.1	4.1	6.6	2.2
1938	355	2,214	28.3	109.6	8.0	5.0	6.9	3.4
1939	422	2,458	65.5	109.5	15.5	4.5	13.6	2.7
1940	479	2,514	65.3	139.7	13.6	5.6	11.2	4.2
1941	465	2,789	59.6	161.5	12.8	5.8	11.1	4.0
1942	492	3,241	37.7	160.5	7.7	5.0	6.0	3.5
1943	457	4,135	48.3	189.5	10.6	4.6	9.4	4.3
1944	541	3,879	74.1	195.4	13.7	5.0	9.6	2.9
1945	673	4,170	134.5	244.4	20.0	5.9	17.3	4.2
1946	687	3,597	139.6	184.2	20.3	5.1	13.8	2.6
1947	608	3,458	86.5	226.0	13.6	6.5	7.8	3.9

1/ Storage stocks of turkeys in the 1943-44 through 1945-46 storage seasons and other poultry in the 1943-44 through 1947-48 seasons, include substantial government-owned stocks.

2/ Excludes turkeys prior to 1932; excludes turkeys and ducks, 1932-47.

One important factor in the determination of the demand for storing turkeys in a given holiday season is the financial outcome from storing operations in the preceding year. However, the quantity actually stored in the months of November and December probably is modified by the prices prevailing. Prices in the holiday season are influenced mostly by the level of consumer incomes. During the past 7 years between 85 and 93 percent of October-December marketings have been sold for consumption before January 1. Thus the quantity actually stored is naturally affected by the size of margins for the preceding year and the level of turkey prices. It is also influenced by the volume remaining in storage when the into-storage movement of the new crop begins.

If the previous season's storage margin was favorable, the net into-storage movement of turkeys is likely to be increased; if the margin was unfavorable, in-movement would probably decrease, other factors remaining constant. On the other hand, if turkey prices are somewhat higher during the into-storage season than they were a year earlier, into-storage volume is likely to be reduced, and vice versa. A larger-than-usual volume remaining in storage when the into-storage season begins tends to curtail into-storage movement, and a smaller than-usual volume remaining tends to enlarge into-storage movement. Thus, the relationship between into-storage movement and previous season's storage margin is positive, while the relationships between into-storage movement and the other two factors are inverse in nature when other variables remain constant.

While further analysis is needed to establish the specific net quantitative relationships between these various factors and the into-storage movement of turkeys, it is apparent that the direction of the change in into-storage movement from the preceding year usually is indicated by one or more of the factors considered.

As may be noted from table 5, the effects of a large storage margin in the preceding storage season often may be more than offset by an average price during the into-storage season considerably higher than during the previous into-storage season, and considerably modified by the volume remaining in storage.

Prices were computed for the into-storage and out-of-storage seasons based on wholesale quotations at New York City. Box dressed prices were used on in-movement and frozen prices on out-movement. Monthly averages of these quotations were weighted by the net U. S. storage movement. The basis and source for the quotations varied through the period as follows:

(1) 1920-28, monthly averages of daily ranges on Western turkeys; New York Produce Review and American Creamery, and the American Creamery and Poultry Produce Review.

(2) 1929-42, monthly averages of highest daily quotations on Western turkeys; the American Creamery and Poultry Produce Review, the American Produce Review, and the American Egg and Poultry Review.

(3) 1943-45, monthly averages of O.P.A. wholesale ceiling prices on all young turkeys, 16-20 pounds, where given; Producers' Price Current.

(4) 1946-48, monthly averages of average Wednesday prices on fancy N.W. young hens and toms; Producers' Price Current.

In order to correct for the customary premium on top-quality young, fresh-killed birds sold for consumption during the heavy marketing months, 2 cents per pound was arbitrarily deducted from the average price in each into-storage season.

Table 5.- Into-storage movement of turkeys, previous season's storage margin, current season's into-storage price as a percentage of preceding year, storage holdings at beginning of season's in-movement, and into-storage movement of other poultry, United States, 1921-48

Season beginning	Into-storage movement of turkeys 1/	Previous season's storage margin 2/			Current season's into-storage price as a percentage of preceding year 3/	Storage holdings of turkeys at beginning of current season's in-movement 4/	Into-storage movement of other poultry 5/
		Into-storage price	Out-of-storage price	Estimated margin			
	Million pounds	Cents	Cents	Cents	Percent	Million pounds	Million pounds
1921	5.8	48.9	50.7	+ 1.8	96	2.2	78.8
1922	11.3	47.1	47.2	+ .1	94	2.2	85.1
1923	10.9	44.3	35.9	- 8.4	69	5.2	58.3
1924	13.4	30.7	34.3	+ 3.6	114	4.0	95.0
1925	3.7	34.9	37.9	+ 3.0	125	3.5	66.1
1926	10.4	43.7	50.8	+ 7.1	100	1.8	101.1
1927	7.7	43.7	40.4	- 3.3	86	4.2	74.2
1928	9.7	37.9	38.2	+ .3	101	4.8	68.2
1929	10.7	38.4	44.4	+ 6.0	93	3.7	96.4
1930	5.8	35.5	41.8	+ 6.3	103	2.8	62.2
1931	12.0	36.7	42.2	+ 5.5	75	2.3	76.7
1932	15.7	27.4	25.9	- 1.5	70	1.0	71.5
1933	18.3	19.2	22.2	+ 3.0	102	1.6	74.2
1934	21.8	19.6	25.9	+ 6.3	130	1.8	80.7
1935	16.9	25.5	28.6	+ 3.1	114	3.6	65.9
1936	36.7	29.2	30.2	+ 1.0	75	4.1	120.0
1937	22.8	21.9	26.3	+ 4.4	119	5.2	51.0
1938	24.5	26.0	30.8	+ 4.8	100	3.8	74.8
1939	57.5	26.1	27.8	+ 1.7	80	8.0	67.0
1940	53.4	20.6	22.0	+ 1.4	105	11.9	105.3
1941	51.4	21.7	27.5	+ 5.8	130	8.2	110.6
1942	29.7	28.1	34.4	+ 5.3	137	8.0	114.1
1943	43.1	38.4	41.3	+ 2.9	108	5.2	176.6
1944	51.8	41.5	45.0	+ 3.5	103	22.3	110.7
1945	116.7	42.9	46.1	+ 3.2	100	17.8	175.3
1946	94.9	43.0	45.6	+ 2.6	98	44.7	95.3
1947	47.5	42.2	40.9	- 1.3	110	39.0	134.4
1948	---	46.3	58.0	+ 11.7	---	13.3	---

1/ Net into-storage movement based on difference between low point in cold storage holdings for season beginning indicated year and peak holdings at end of into-storage season.

2/ Into-storage and out-of-storage prices for each storage year obtained by weighting monthly wholesale prices at New York City by net U. S. storage movement. Two cents per pound arbitrarily deducted from into-storage price to discount premium on top-quality, fresh-killed young birds sold for current consumption.

3/ In this table, the actual into-storage price for any given year may be read from the column Into-storage price, under Previous season's storage margin. It should be noted that because of the method of computing the margin, the into-storage price for the season beginning 1921 is found opposite the year 1922, etc.

4/ Low point in cold storage holdings of turkeys for year shown.

5/ Same method as described under footnote 1. Other poultry excludes turkeys prior to storage season beginning 1932, and excludes turkeys and ducks beginning 1932.

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Turkey Storage Operations to be Little Different From Year Earlier

The estimated storage margin was at a record level in 1947-48. Storage holdings on September 1 were lower than a year earlier. Thus, if turkey prices in November and December this year were the same as a year earlier, the quantity stored would be much larger. However, since the turkey crop is 10 percent smaller and consumer incomes are greater, prices of turkey for current consumption have been bid up to record levels. These prices will tend to discourage the storing of larger quantities of turkey. Accordingly, the January 1, 1949 holdings may be little different from the comparatively small holdings of a year earlier. If this occurs, fresh-killed turkeys marketed after January 1 will encounter no more competition from stored birds than in early 1948.

1949 Chicken and Turkey Goals Announced by Secretary of Agriculture

Production goals for 1949 announced by the Secretary of Agriculture November 20, 1948, and recommended for consideration by State USDA Councils include increases over 1948 for both chickens and turkeys. These goals, like the January 1 hen and pullet goal of 425 million announced September 13, are outlined by regions.

The announcement states: "For 1949, a goal of 700 million young chickens to be raised for flock replacement is suggested. This is a 10-percent increase over the number raised in 1948 and is intended to provide 273 million pullets, to make a total of 405 million potential layers January 1, 1950. With average production, a laying flock of this size would provide at least 370 eggs per person during 1950 and meet other expected requirements. (In determining the goal of 700 million young chickens to be raised, consideration was given to the composition of farm flocks (the number of hens vs. the number of pullets). If the number of hens on hand January 1. 1950 were limited to 33 percent of the laying flock the suggested increase in the number of chickens to be raised would not result in an increased number of potential layers on farms January 1, 1950 as would be normally expected.) In addition, the chicken goal, together with anticipated broiler production and hens culled from laying flocks, will provide about 23.5 pounds of meat per person.

"A goal of 35.1 million turkeys to be raised in 1949 is suggested, 10 percent more than the indicated number in 1948. This would provide consumers with approximately 4 pounds of turkey per person, as compared with an estimated 1949 per capita consumption of 3.4 pounds."